ANNUAL REPORT 1989
PRINCE EDWARD ISLAND
TEACHERS' SUPERANNUATION COMMISSION
DEPARTMENT OF EDUCATION

FOR THE SCHOOL YEAR ENDING
JUNE 30, 1989

90-04166/

TO HIS HONOUR
THE HONOURABLE LLOYD G. MACPHAIL
LIEUTENANT GOVERNOR OF THE PROVINCE
OF PRINCE EDWARD ISLAND

MAY IT PLEASE YOUR HONOUR

I have the honour to submit herewith the annual report of the Prince Edward Island Teachers' Superannuation Commission for the school year ending June 30, 1989, including certain tables, reports and other matters containing information relative to the administration of the Prince Edward Island Teachers' Superannuation Act.

I have the Honour to be, Sir
Your Obedient Servant

Paul Connolly
Minister of Education

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AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

FINANCIAL STATEMENTS

JUNE 30, 1989

AUDITOR GENERAL

CHARLOTTETOWN

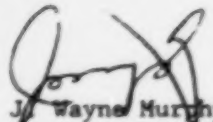
PRINCE EDWARD ISLAND

AUDITOR'S REPORT

To the Commissioners of the
Teachers' Superannuation Commission
Province of Prince Edward Island

I have examined the balance sheet of the Province of Prince Edward Island Teachers' Superannuation Fund as at June 30, 1989 and the statement of continuity of fund for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the fund as at June 30, 1989 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



J. Wayne Murphy, C.A.
Auditor General

Charlottetown, Prince Edward Island
January 15, 1990

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

BALANCE SHEET

JUNE 30, 1989

(with comparative figures at June 30, 1988)

ASSETS

Assets	1989	1988
Cash	$ 134,047	$ 137,322
Contributions Receivable	15,387	30,234
Accrued Interest	1,016,097	1,375,150
Term Deposits	1,100,000	5,178,241
Investments - Note 1,2,3	67,596,651	54,841,160
	$69,862,182	$61,562,107

LIABILITIES AND FUND RESERVE

Current Liabilities		
Installment buybacks - Note 5	22,454	45,527
Accounts payable	56,662	26,297
	79,116	71,824
Fund Reserve		
Teachers' Superannuation Fund - Note 4	69,783,066	61,490,283
	$69,862,182	$61,562,107

(The accompanying notes are an integral part of these financial statements)

ON BEHALF OF THE COMMISSION:

COMMISSIONER: _____

COMMISSIONER: _____

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

STATEMENT OF CONTINUITY OF FUND

YEAR ENDED JUNE 30, 1989

(with comparative figures for the year ended June 30, 1988)

	1989	1988
Balance, beginning of year	$61,490,283	$51,856,042
Add:		
Employees' contributions	3,529,513	3,219,172
Employers' contributions	3,530,161	3,219,257
Buybacks and transfers - Note 6	278,695	263,880
Investment income - Note 7	6,321,973	6,228,165
Market value increase - Note 2	2,000,440	2,842,380
	15,660,782	15,772,854
Deduct:		
Pensions paid	6,176,979	5,667,186
Refunds and transfers - Note 8	478,763	268,822
Interest on refunds and transfers - Note 9	547,601	170,200
Custodial and management fees	151,804	12,953
Miscellaneous	12,852	19,452
	7,367,999	6,138,613
Balance, end of year	$69,783,066	$61,490,283

(The accompanying notes are an integral part of these financial statements)

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1989

1. Significant Accounting Policy:
Investments are valued at market value.

2. Market value increase measures the change in the market value of investments between July 1, 1988 and June 30, 1989 or to the date of sale on investments sold during the year.

Because the year ended June 30, 1988 was the initial year that investments were valued at market value, the 1988 market value increase represents the change in market values from purchase to June 30, 1988 or to the date of sale on investments sold during that year.

3. Beutel Goodman and Company Ltd. and E. J. McConnell & Associates (Atlantic) Limited were appointed investment managers of the Teachers' Superannuation Fund on September 1, 1988. As at June 30, 1989 the investment portfolio held by the Bank of Montreal, the Fund's custodian, consisted of the following:

	1989	1988
Canadian treasury bills	$11,752,633	$ -
Other liquid assets	318,794	-
Bonds and debentures	31,020,025	54,841,160
Canadian equity securities	19,803,672	-
Foreign equity securities	4,701,527	-
	$67,596,651	$54,841,160

4. This amount does not represent the actuarial liability of the Teachers' Superannuation Fund. An Actuarial Valuation Report of the Fund as of July 1, 1987 indicated there was an unfunded liability of $128.9 million. Payment of pensions is guaranteed by the Province of Prince Edward Island under Section 10(3) of the Teachers' Superannuation Act.

5. A past service buyback by installment plan was implemented in September 1983. Under this plan installments are accumulated for individual participants in a special fund until a sufficient amount is available to complete the buyback transaction. At that time the total buyback amount is recorded as a contribution to the Pension Fund.

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

NOTES TO FINANCIAL STATEMENTS (continued)

JUNE 30, 1989

6. The Teachers' Superannuation Commission has entered into reciprocal transfer agreements with similar pension authorities across Canada as well as within the Province. These agreements enable teachers who meet the requirements to transfer pension contributions and service from one pension authority to another.

	1989	1988
Employee buybacks	$116,822	$ 96,577
Employee transfers in	80,674	84,508
Employer transfers in	81,199	82,795
	$278,695	$263,880

7. Investment Income

	1989	1988
Interest on investments	$5,902,722	$5,950,825
Interest on transfers in	274,812	179,541
Interest on buybacks	144,439	97,799
	$6,321,973	$6,228,165

8. Refunds and Transfers

	1989	1988
Employee refunds	$196,813	$202,057
Employee transfers out	140,975	33,324
Employer transfers out	140,975	33,441
	$478,763	$268,822

9. Interest on Refunds and Transfers

	1989	1988
Interest on refunds	$ 92,940	$ 35,312
Interest on transfers out	454,661	134,888
	$547,601	$170,200

Members - P.E.I. Teachers' Superannuation Commission

for the period July 1, 1988 to June 30, 1989.

Roger W. Burke[1] (chair)

P. Allan Murphy[2]

Frank McQuaid[2]

Bruce Montgomery[2]

Gar Andrew[1]

William Bartlett[1]

W. Bruce White[3]

1. Appointee of Minister of Education
2. Appointee of P.E.I. Teachers' Federation
3. Appointee of Minister of Finance

Secretary to the Commission - Ronald F. Rice
Director of Administration
Department of Education

SUPERANNUATION ACT AMENDMENTS

During the period July 1, 1988 to June 30, 1989, there were no amendments made to the Teachers' Superannuation Act.

APPLICATIONS FOR SUPERANNUATION

During the period July 1, 1988 to June 30, 1989 the following applicants for superannuation were approved:

NAME	DATE OF BIRTH	AUTHORITY	ANNUAL ALLOWANCE	EFFECTIVE
R. Leith Arbing	July 31, 1922	16(1)(a)	1,170.00	Aug. 1, 1982
Sr. Patricia Arsenault	March 17, 1937	16(1)(a)	1,116.80	April 1, 1997
Miriam I. Bell	Aug. 24, 1937	16(1)(d)	17,408.30	July 1, 1989
Sr. Hermine Bernard	Dec. 18, 1937	16(1)(a)	7,036.40	Jan. 1, 1998
Francis C. Blanchard	Dec. 3, 1930	16(1)(d)	27,978.86	July 1, 1989
Shirley Bowness	May 31, 1937	16(1)(c)	14,800.25	July 1, 1989
Alena Buchanan	July 30, 1924	16(1)(a)	10,890.31	July 1, 1989
Margaret B. Clark	Mar. 21, 1926	16(1)(a)	15,765.79	July 1, 1989
Sr. Esther Clarkin	Jan. 14, 1936	16(1)(a)	13,816.13	Feb. 1, 1996
Virgene Cole	Aug. 5, 1933	16(1)(b)	20,116.60	July 1, 1989
G. Desmond Connolly	Apr. 9, 1936	16(1)(b)	19,375.74	May 1, 1991
Cecilia Daley	Oct. 13, 1897	16(1)(a)	98.05	July 1, 1972
Sr. Georgina Doiron	Jan. 26, 1929	16(1)(a)	2,386.80	Feb. 1, 1989
James D. Gallant	Jan. 28, 1937	16(1)(c)	18,669.30	Feb. 23, 1989
Sr. Della Gaudet	April 6, 1938	16(1)(a)	3,730.52	May 1, 1998
Sr. Sylvina Gaudet	Feb. 17, 1932	16(1)(a)	6,495.38	Mar. 1, 1992
Sr. Marie Hagen	Nov. 12, 1935	16(1)(a)	1,100.00	Dec. 1, 1995
Sr. Irma T. Hogan	Dec. 24, 1929	16(1)(b)	21,213.70	July 1, 1989
Mary L. Laughlin	Nov. 23, 1935	16(1)(a)	1,090.00	Dec. 1, 1995
Sr. Lauretta Leslie	Apr. 18, 1932	16(1)(a)	1,922.95	May 1, 1992
Hester I. Linkletter	July 8, 1907	16(1)(a)	223.68	Aug. 1, 1972
Helen B. MacDonald	Dec. 21, 1928	16(1)(a)	20,149.49	Feb. 1, 1989
Magdalene MacDonald	Sept. 10, 1929	16(1)(a)	18,566.38	Oct. 1, 1989
Sr. Mary MacDonald	Jan. 18, 1923	16(1)(a)	3,210.10	Feb. 1, 1983
Sr. Noreen MacDonald	Feb. 26, 1934	16(1)(b)	27,626.90	July 1, 1989
Olive MacGougan	Nov. 6, 1932	16(1)(b)	16,562.75	July 1, 1989
Annie Lou MacIsaac	Jan. 2, 1936	16(1)(d)	26,149.83	July 1, 1989
Joyce E. McIver	Aug. 13, 1937	16(1)(d)	26,149.83	July 1, 1989
Sr. Teresa MacKenzie	Jan. 16, 1928	16(1)(a)	1,000.00	Feb. 1, 1988
Sr. Bertha McManus	Oct. 15, 1904	16(1)(a)	162.40	July 1, 1972
Jennie I. MacNeill	Jan. 4, 1929	16(1)(a)	17,345.93	July 1, 1989
Mary Morrissey	Dec. 4, 1904	16(1)(a)	80.54	July 1, 1972
Eugene Murphy	July 15, 1936	16(1)(a)	7,735.64	Aug. 1, 1996
Rita Naddy	Feb. 13, 1940	16(1)(a)	1,827.42	Mar. 1, 2000
Sr. Rose O'Hanley	Aug. 30, 1929	16(1)(a)	2,342.76	Sept. 1, 1989
Kathleen Roberts	Mar. 17, 1929	16(1)(a)	1,028.00	Apr. 1, 1989
Etta Smith	July 12, 1938	23(1)	13,229.34	Oct. 11, 1988
Sr. Mary G. Smith	Jan. 3, 1929	16(1)(a)	11,161.37	Feb. 1, 1989
Mary M. Sullivan	July 2, 1934	16(1)(b)	23,250.49	Aug. 1, 1989
Sr. Teresa Trainor	Nov. 28, 1927	16(1)a)	1,357.25	Dec. 1, 1987
Sr. Vivien Trainor	Mar. 1, 1931	16(1)(a)	3,274.56	Apr. 1, 1991
Jeanette Yeo	Aug. 6, 1931	16(1)(b)	21,085.51	July 1, 1989

Superannuates deceased during the period July 1, 1988 to June 30, 1989.

NAME	DECEASED	AGE
Sister Celina Pineau	July 22, 1988	87
Reginald Smith	Sept. 3, 1988	75
John Hughes	Oct. 9, 1988	74
Florence Mabey	Oct. 25, 1988	96
Margaret T. Gaudet	Oct. 5, 1988	74
Minnie D. MacDonald	Oct. 13, 1988	93
Mabel O'Brien	Nov. 15, 1988	79
Alfred Foley	Nov. 15, 1988	87
Amos Curley	Nov. 19, 1988	80
Glenn Dyment	Nov. 24, 1988	79
Anita Maddix	Dec. 20, 1988	83
Gertrude Buell	Dec. 30, 1988	93
Benoit DesRoches	Feb. 28, 1989	84
Mabel Dawson	April 17, 1989	78
James Clarke	April 30, 1989	39
Frank Ross	May 15, 1989	78
Marion Cameron	June 1, 1989	70